

February 10, 2023

Regulatory Secretariat Division Federal E-Rulemaking Portal https://www.regulations.gov

Re: FAR Case 2021–015, Disclosure of GHG Emissions and Climate-Related Financial Risk

The Global Electronics Council (GEC) <a href="https://globalelectronicscouncil.org/">https://globalelectronicscouncil.org/</a> appreciates the opportunity to provide comments to Federal Acquisition Regulation (FAR) Case 2021-015, Disclosure of GHG Emissions and Climate-Related Financial Risk. GEC applauds the actions of the DoD, GSA, and NASA to revise the FAR so that it requires Federal suppliers to publicly disclose GHG emissions and to set science-based reduction targets.

GEC respectfully submits the following comments:

#### [1] GHG REDUCTION IS CRITICAL IN ADDRESSING ELECTRONIC PRODUCTS

GEC's Climate Change Mitigation EPEAT Criteria update includes requirements similar to the ones proposed in FAR Case 2021–015, for manufacturers and their suppliers to collect scope 1, 2 and 3 GHG emissions data, to enhance transparency through public disclosure, to set science based GHG reduction targets and to utilize internationally recognized standards and best practices. GEC <a href="State">State</a> of Sustainability Research for Climate Change Mitigation serves as the scientific evidenced-based foundation for this approach.

### [2] THE FEDERAL GOVERNMENT SHOULD LEAD BY EXAMPLE

The collection of this information is necessary for the proper performance of the functions of Federal Government acquisitions, including whether the information will have practical utility. It is necessary and impactful for the U.S. Federal Government to lead by example. Actions taken by the federal government will have an exponential impact on the environment by signaling the importance of similar activities being undertaken by the private sector as well as other public entities. As the largest purchaser of goods and services globally the USG has tremendous ability to move markets towards greater climate resilience. With respect to the specific compliance requirements, see below.



### [3] EMBODIED CARBON

Upstream carbon is often the largest contributor to embodied carbon. According to the World Economic Forum, 77% of total GHG emissions from the electronics industry are due to supply chain activities. For ICT products, production (extraction, component manufacturing and assembly) can range from 5% to 77% or more of a product's carbon footprint, depending on product type. Additionally, the carbon footprint is driven largely by whether the product operates with a battery or a plug. For example, production accounts for nearly 80% of a smart phone or tablet's carbon footprint. For a rack server, the majority of GHG emissions are associated with the energy consumed during the use phase of the product. GHG emissions associated with product transportation typically account for 0.5% to 25% of an ICT product's carbon footprint.

### [4] GREENHOUSE GAS INVENTORY

GEC supports collection of Scope 1, 2 and 3 emissions. Manufacturers must start first by managing their own emissions (Scope 1 and 2). It is not sufficient to stop at scopes 1 and 2, however, as manufacturers must also recognize the significance of Scope 3 emissions associated with their value chains, especially upstream.

## ANNUAL CLIMATE DISCLOSURE

GEC supports the enhanced transparency and accountability that can be enabled through public disclosure. Allowing purchasers to see the impact of their purchases benefits the free market. It empowers organizations as well as individual consumers to make informed decisions around these figures.

### [5] SCIENCE-BASED TARGETS

GEC strongly supports the setting of GHG reduction goals aligned with climate science, as defined by the United Nations Intergovernmental Panel on Climate Change (IPCC). In 2018, the Intergovernmental Panel on Climate Change (IPCC) warned that "global warming must not exceed 1.5°C above pre-industrial temperatures to avoid the most catastrophic impacts of climate change. To achieve this, greenhouse gas (GHG) emissions must halve from 2015 to 2030 – and drop to net zero by 2050." GEC recognizes the importance of science-based targets and has included this as a mandatory requirement in the EPEAT ecolabel.

GEC encourages the Federal Government to recognize the Science Based Targets Initiative (SBTi). The SBTi, a partnership between the World Resources Institute, the World Wildlife Fund, the



United Nations Global Compact is the only recognized program recognized for validating that organizational GHG reduction goals are aligned with the best available science.

# [6] STANDARDS

GEC encourages use of the GHG Protocol Corporate Accounting and Reporting Standards and Guidance, the 2017 Recommendations of the TCFD, the CDP Climate Change Questionnaire, and the SBTi criteria as utilization of common standards and best practices enable greater comparability among manufacturers as well as greater assurances of the veracity of the data.

Should you have any questions about these comments, EPEAT <a href="https://www.epeat.net">https://www.epeat.net</a> or the Global Electronics Council, please contact me directly at <a href="mailto:dlouda@gec.org">dlouda@gec.org</a>.

Sincerely,

Dale Louda
Director, Government Relations
Global Electronics Council